
RECOUPMENT

Recoupment for overpayments will be pursued retroactively to the date that eligibility ceased to exist.

Notice of Non-Support Process

When the Adoption Subsidy Office is made aware that a child is no longer in the adoptive home and the adoptive parent(s) are no longer providing any support for the child, the Adoption Subsidy Office will send the DHS-1184, Initial Letter Regarding Support, to the adoptive parent(s).

The DHS-1184 notifies the adoptive parent(s) that the Adoption Subsidy Office was informed that the child is no longer in their care and that they are no longer providing any support for the child. The DHS-1184 informs the adoptive parent(s) that they must notify the Adoption Subsidy Office, in writing as to how they have been providing support for the child and how they intend to provide support for the child in the future. A written response and supporting documentation are required within 14 calendar days from receipt of the DHS-1184 by the adoptive parent(s).

Failure by the adoptive parent(s) to provide the requested information will result in a DHS-4103, Adoption Assistance Case Closure/Overpayment Notice, being issued to the adoptive parent(s) and commencement of the recoupment process. Recoupment will be retroactive to the date reported on the DHS-1184, that the child was no longer in the adoptive home and being supported by the adoptive parent(s).

The DHS-4103 notifies the adoptive parent(s) of their right to an administrative hearing; see AAM 700-Adoption Subsidy Administrative Hearings for more information.

Note: Recovery of adoption assistance overpayments is handled by the Reconciliation and Recoupment Unit in Central Office.

Recoupment Process When Eligibility Ceases to Exist

If fraud is suspected, the Adoption Subsidy Office must make a referral to the Office of Inspector General for their investigation; see

Office of Inspector General Referral Process subsection below for process information. When a referral to the Office of Inspector General is not required, the Adoption Subsidy Office will begin the process below.

The recoupment process for an overpayment will be immediately initiated when the Adoption Subsidy Office is made aware that eligibility no longer exists; see AAM 620-Post Placement Adoption Subsidy Duration-All Programs, for more information regarding eligibility criteria.

The Adoption Subsidy Office will initiate the recoupment process by issuing the DHS-4103, Adoption Assistance Case Closure/Overpayment Notice, to the adoptive parent(s). The DHS-4103, must include; the dates the overpayment was issued, the total amount of overpayment and a short description of the cause of over issuance. The DHS-4103 also notifies the adoptive parent(s) of their right to an administrative hearing; see AAM 700-Adoption Subsidy Administrative Hearings for more information.

The DHS-4103 must be mailed to the adoptive parent(s) along with the DHS-325-AA, Debtor Repayment Agreement. The DHS-325-AA informs the adoptive parent(s) that they have the option to make payment in full, have a reduction in their subsidy (if currently receiving subsidy for another child) or make monthly payments. The Adoption Subsidy Office must upload a copy of the DHS-4103 and the DHS-325-AA, into MiSACWIS. The adoptive parent(s) must indicate which repayment option they have selected from the options listed above by one of the following actions:

- Send a check or money order for the entire amount due to the DHS Cashiers Unit, or
- Return a signed copy of the DHS-325-AA, to Reconciliation and Recoupment Unit, Suite 1010, PO Box 30037, Lansing MI 48909 with one of two boxes checked, either subsidy reduction (only can occur if provider has an active adoption assistance case) or manual monthly payments made to the DHS Cashiers Unit

Note: Recovery of adoption assistance overpayments is handled by the Reconciliation and Recoupment Unit in Central Office.

Reconciliation and Recoupment Overpayment Process

When the DHS-325-AA, Debtor Repayment Agreement, is received by the DHS Reconciliation and Recoupment Unit, the recoupment information will be entered into their unit recoupment database, as a receivable.

Whenever the adoptive parent(s) have questions regarding how the amount of overpayment was determined, the Reconciliation and Recoupment Unit will direct the adoptive parent(s) to the Adoption Subsidy Office. The Adoption Subsidy Office will review the information on the DHS-4103 with the adoptive parent(s) and will address concerns and disputes with the adoptive parent(s).

After the Adoption Subsidy Office addresses any concerns or disputes with the adoptive parent(s), the Adoption Subsidy Office may make changes to the recoupment amount or dates for the overpayment time period. If a change is made, the Adoption Subsidy Office will reflect this on a revised, DHS-4103 and send an updated DHS-325-AA to the adoptive parent(s). The Adoption Subsidy Office may determine that the initial recoupment amount and dates were correct and will notify the Reconciliation and Recoupment Unit to proceed with recoupment of funds.

If the DHS-4103 is revised, a copy must be uploaded in MiSACWIS and copies must be sent to the Reconciliation and Recoupment Unit and the adoptive parent(s).

The Reconciliation and Recoupment Unit establishes the receivable into the adoption subsidy overpayment database, monitors for compliance of repayments based on the signed DHS-325-AA, Debtor Repayment Agreement, and assesses for delinquency in payments. Reconciliation and Recoupment Unit receives notification of voluntary payments from the Cashiers Unit and adjusts adoptive parent(s) debtor accounts accordingly to maintain the proper debtor claim balance.

Note: All phone calls or written correspondence received regarding payments will be addressed by the Reconciliation and Recoupment Unit unless it is a new concern or debate of the overpayment amount.

**Attorney General
Referral**

In the event a debt due to an overpayment of adoption assistance becomes delinquent, the debt may be referred by Reconciliation and Recoupment staff to the Attorney General's Office for further collection efforts. The Attorney General's Office will pursue collections on such claims through: voluntary repayments, civil lawsuits, probation violations and seizure/garnishment on civil and criminal restitution orders.

**Office of Inspector
General's Referral**

A referral to the Office of Inspector General shall be made if fraud is suspected. The Adoption Subsidy Office must make a referral to the Office of the Inspector General for investigation, using the DHS-834, Fraud Investigation Request.